PUBLIC HEALTH, WELFARE SAFETY				
Exhibit No.	- 1	21		
Date	2-16-07			
Bill No	58 336	,wax		

R.J. Reynolds Tobacco Company

R.J. Reynolds Tobacco Company (R.J. Reynolds) is the second-largest tobacco company in the United States, manufacturing about one of every three cigarettes sold in the country.

The company makes 5 of the nation's 10 best-selling brands: Camel, Kool, Doral Winston and Salem.

R.J. Reynolds manufactures many other well-known brands that have been marketed for decades, such as Lucky Strike, Pall Mall, Tareyton, Viceroy, Vantage, Misty, More and Now.

Of all the brands I've mentioned — in fact, of all the brands in the RJR's portfolio — it's conceivable there would only be ONE brand could be sold in Montana if this legislation was enacted. Winston is the ONLY brand RJR makes that does not contain additives, such as sugar, cocoa, licorice, vanilla and other natural and artificial flavors.

Some might argue that our popular menthol brands, Kool and Salem, should be OK because the bill seems to expressly exempt menthol. That's not the case. Both brands contain sugar and cocoa and licorice, which someone could certainly decide constitutes a "characterizing flavor".

State to transport the second second	Five of the Nation	n's Top-10 Brands	,
National Ranking by Share	R.J. Reynolds' Brand	2004 Share of U.S. Sale:	Type of Brand
#3	Camel	6.62%	Premium
#4	Doral	4.98%	Savings
#6	Winston	4.16%	Premium
#7	Kool	2.80%	Premium/Menthol
#8	Salem	2.59%	Premium/Menthol



<u>Winston</u>

Winston was introduced in 1954 and became the first nationally popular filtered cigarette. By 1966, Winston became the best-selling cigarette in the nation, a position it held for 10 years. Today, Winston remains one of the country's top-10 cigarette brands. Winston's "Leave the Bull Behind" attitude is backed by its unique, additive-free product point-of-difference – smooth tobacco taste. Qualified adult smokers can leave the bull behind at www.lnsideWinston.com.



Salem

Salem was introduced in 1956 as the first filtered menthol cigarette. Salem eventually dominated the menthol category — becoming one of the world's best-selling brands. Today, Salem remains one of the best-selling menthol brands in the United States. Salem stands apart from other menthol cigarettes with its imaginative "Stir the Senses" positioning, innovative packaging and distinctive product blends. Qualified adult smokers are invited to stir the senses at www.SalemAccess.com.



Doral

Doral was introduced in 1969 and repositioned in 1984 as a savings brand, becoming the first branded cigarette to compete in the growing value segment. Doral quickly became -- and continues to be -- the leading savings brand in the United States. The brand's "Imagine Getting More" positioning builds on Doral's core promise -- offering adult smokers more value for their money. The brand will continue to fulfill this promise through its primary communication vehicles -- the successful and long-running Doral & Company relationship-marketing program and its popular Web site. Qualified adult smokers are valued at www.SmokersWelcome.com.



Pall Mall

Pall Mall was introduced in 1899 as one of the world's first premium cigarettes. In 1939, Pall Mall launched the first "king-size" (85 millimeter) cigarette; in 1966 the brand launched the first 100-millimeter cigarette — both giving adult smokers more value for the same amount of money. In 2001, the brand was re-launched nationally as the "new filtered" Pall Mall — a savings cigarette that tastes smooth, burns slower and lasts longer. The brand is successful because it offers premium quality combined with smooth smoking satisfaction and a noticeable product point of difference. For qualified adult smokers, Pall Mall lasts longer at PallMallUSA.com.

Other Brands

Barclay Lucky Strike
Belair Misty
Capri Monarch

Capri Monarch
Carlton More

GPC Now

Private-Label Brands

Tareyton Vantage Viceroy